

LEGISLATIVE FACT SHEET

DATE: **6/2/21**

BT or RC No: **N/A**

(Administration & City Council Bills)

SPONSOR: **Office of Economic Development**

(Department/Division/Agency/Council Member)

Contact for all inquiries and presentations: **Office of Economic Development**

Provide Name: **Ed Randolph, Director of Business Development** Contact No: **255-5450**

Email edr@coj.net

PURPOSE: White Paper (Explain why this legislation is necessary. Provide, who, what, when where, how and the impact.) Council Research will complete this form for Council introduced legislation and the Administration is responsible for all other legislation. (Minimum of 350 words – Maximum of 1 page)

Boeing is a leading international aerospace company, manufacturing commercial jetliners, defense, space and security systems, and providing aftermarket support services. Boeing provides maintenance, repair, and operations (MRO) services, engineering, and training to the U.S. Department of Defense and other customers. Boeing has had a presence at Cecil Airport for over 20 years, providing support on multiple aircraft for the U.S. Navy and U.S. Air Force. It currently leases over 400,000 SF of building and hangar space on and near the Cecil Airport airfield. Boeing issued a request for proposal (RFP) in June 2020 related to a possible expansion. The Jacksonville Aviation Authority, which owns the property where most of Boeing’s current facilities are, responded to the RFP. JAA’s RFP submittal included a proposal to construct and lease 373,802 square feet of new building infrastructure for a proposed expansion of Boeing’s Cecil operations, which will lead to 334 new jobs. The new facilities will include an 8-bay hangar and offices and shop space. Boeing was evaluating sites in several other states for the proposed expansion. Boeing has stated that the City of Jacksonville’s financial incentive proposed is a material factor in its decision to expand their operations in Jacksonville. The City is proposing to offer a \$425,000 Infrastructure Grant to go towards the \$3 Million in overall support infrastructure expenditures needed to help develop the 57-acre site. The infrastructure needs include the installation of stormwater drainage areas, fencing, and extension of new sewer, irrigation and electrical lines.

APPROPRIATION: Total Amount Appropriated \$0 as follows: List the source **name** and provide Object and Subject Numbers for each category listed below:

(Name of Fund as it will appear in the title of the legislation)

Name of Federal Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of State Funding Source(s)

From: _____ Amount: _____

To: _____ Amount: _____

Name of COJ Funding Source(s)

From: Amount:

To: Amount:

Name of In-Kind Contributions:

From: _____ Amount: _____

To: _____ Amount: _____

Name & No. of Bond Account(s):

From: _____ Amount: _____

To: _____ Amount: _____

PLAIN LANGUAGE OF APPROPRIATION/FINANCIAL IMPACT/OTHER:

Explain: Where are the funds coming from, going to, how will the funds be used? Does the funding require a match? Is the funding for a specific time frame? Will there be ongoing maintenance and staffing obligation? Per Chapter 122 & 106 regarding funding of anticipated post-construction operation costs. (Minimum of 350 words – maximum of 1 page.)

The City of Jacksonville proposes to provide:

A \$425,000 Infrastructure Grant, provided that the private capital investment is not less than \$85 million and the company creates a required 334 jobs by the end of 2026.

Requested Waiver: Although the City's Public Investment Policy (PIP) does not include a specific "Infrastructure Grant" program, the project's large capital investment and job creation elements meet the spirit and intent of many of the existing programs in the PIP. Due to the lack of a specific program in the PIP, we are requesting a waiver of the PIP. The project has an ROI of 0.49, for the City of Jacksonville.

ACTION ITEMS: Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Emergency? Yes _____ No **X** _____

Justification of Emergency: If yes, explanation must include detailed nature of emergency.

Federal or State Mandate? Yes _____ No **X** _____

Explanation: If yes, explanation must include detailed nature of mandate include Statue or Provision.

Fiscal Year Carryover? Yes _____ No **X** _____

Note: If yes, note must include explanation of all-year subfund carryover language.

CIP Amendment? Yes _____ No X _____

Attachment: If yes, attach appropriate CIP form(s). Include justification for mid-year amendment.

Contract/Agreement Approval? Yes X _____ No _____

Attachment & Explanation: If yes, attach the Contract/Agreement & provide name of the Department and include contact name and telephone number of the person r that will provide oversight. Indicate if negotiations are on-going and with whom. Has OGC reviewed/drafted? OED will provide oversight and administration.

Related RC/BT? Yes _____ No X _____ If yes, attach appropriate RC/BT form(s)

Waiver of Code? Yes X _____ No _____

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper. Public Investment Policy (ORD 2016-382)

Code Exception: Yes _____ No X _____

Code Reference: If yes, identify code section(s) in space below & provide detailed explanation (including impacts) within white paper.

Related Enacted Ordinances? Yes _____ No X _____

Code Reference: If yes, identify related code section(s) and ORD reference number in the space below & provide detailed explanation and any changes necessary within whitepaper.

ACTION ITEMS CONTINUED: Purpose/Check List. If "Yes" please provide detail by attaching justification and code provisions for each.

ACTION ITEMS:

Continuation of Grant? Yes _____ No X _____

Explanation: How will the funds be used? Does the funding require a match? Is the funding for a specific time frame and/or multi-year? If multi-year, note year of grant. Are there long-term implications for the General Fund?

Surplus Property Certification? Yes _____ No X _____ Attachment: If yes, attach appropriate form(s)

Reporting Requirements? Yes _____ No X _____

Explanation: List agencies (including City Council/Auditor) to receive reports and frequency of reports, including when reports are due. Provide name of the Department and include contact name and telephone number of the person responsible for generating.

Director BD: _____
(Signature)

Date: 6/2/21

Prepared By: _____
(Signature)

Date: 6/2/21

ADMINISTRATIVE TRANSMITTAL

To: MBRC, Budget Office, St. James Bldg., Suite 325

Thru: N/A
(Name, Job Title, Department)

From: Kirk Wendland, Executive Director, Office of Economic Development (OED)
Initiating Department Representative (Name, Job Title, Department)

Phone: 255-5455 E-Mail: kwendland@coj.net

Primary Contact: Ed Randolph, Director of Business Development
(Name, Job Title, Department)

Phone: 255-5454 E-Mail: edr@coj.net

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor

Phone: 255-5015 E-Mail: leeannk@coj.net

COUNCIL MEMBER/INDEPENDENT AGENCY/CONSTITUTIONAL OFFICER TRANSMITTAL

To: Peggy Sidman, Office of General Counsel, St. James Bldg., Suite 480

Phone: 255-5055 E-Mail: psidman@coj.net

From: N/A
Initiating Council Member/Independent Agency/Constitutional Officer

Phone: _____ E-Mail: _____

Primary Contact: N/A
(Name, Job Title, Department)

Phone: _____ E-Mail: _____

CC: Leeann Krieg, Director of Intergovernmental Affairs, Office of the Mayor
Phone: _____ E-Mail: _____

Legislation from Independent Agencies requires a resolution from the Independent Agency Board approving the legislation

Independent Agency Action Item:

Board(s) Action/Resolution? Yes _____ No **X** _____

Attachment: If yes, attach appropriate documentation. If no, when is board action scheduled?

FACT SHEET IS REQUIRED BEFORE LEGISLATION IS INTRODUCED